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Date:	Fri, 9/18/2015 4:15:44 AM
Subject:	Putin Kaputtin - Russians' Incomes Fall at Fastest Pace in 8 MonthsMoscow Times

Russians' wages fell in August at their fastest pace since the start of the year, according to official data published Thursday that also showed a continuing slump in capital investment, industrial output and retail spending.

Russia's economy has been shaken by a collapse in the price of oil since summer 2014 and sanctions imposed over the Ukraine crisis that have restricted trade and cross-border financial flows.

Data for August published by the Rosstat federal statistics agency showed that average wages dropped by 6 percent compared to July — the steepest monthly decline since January — to 31,870 rubles ($485) per month. Adjusted for inflation, which is running at 15.8 percent, the average wage in August was worth 9.8 percent less than in the same month in 2014.

Official unemployment in August remained unchanged from July at 4.1 million people, or 5.3 percent of the working population. Rather than laying off workers, many companies have responded to the economic crisis by cutting the hours and pay of their staff, emerging markets analysts Capital Economics said in a report earlier this week.

Average total incomes, which include pensions and other state payouts that better track inflation, were almost unchanged from July, but worth 4.9 less than a year ago.

With less money in consumers' pockets, retail sales were 9.1 percent lower in August than in the same month a year ago, according to Rosstat. Industrial output was down 4.3 percent and capital investment was 6.8 percent lower than in August 2014.

The International Monetary Fund said in May that it expects Russia's economy to shrink by 3.4 percent this year.